

FISCAL NOTE

SB 1332 - HB 1369

March 3, 2005

SUMMARY OF BILL: Requires that municipal electric plants serving multiple counties, but whose operations are based outside of a county which represents more than 50% of the customers served, appoint two board members from the county with the majority of customers.

ESTIMATED FISCAL IMPACT:

**Increase Local Govt. Expenditures – Exceeds \$100,000/Permissive
Less than \$75,000 / Mandatory ***

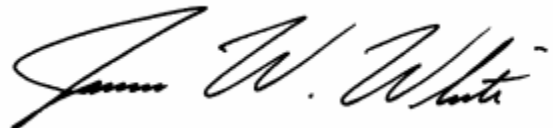
Assumptions:

- The additional board members would receive reimbursement for travel and other expenses as well as an allowance for attendance at meetings for each utility system within a particular electrical plant's jurisdiction.
- Board members would be eligible for health insurance and such impact could exceed \$100,000. This increase in expenditures would be permissive for local governments.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director